

Used Car Lemon Law

consumer**brief**

With each passing day you're beginning to fear that you've got a lemon on your hands. Are you stuck with it? Maybe not. New Jersey's Used Car Lemon Law provides protection to those who buy used motor vehicles.

WHAT IS COVERED BY THE LAW

The law, which covers only used passenger motor vehicles purchased from licensed used car dealers, requires used car dealers to provide their customers with warranties. The length of the warranty depends on the used motor vehicle's mileage. If:

- a motor vehicle has 24,000 miles or less, the dealer must provide the customer with a warranty for 90 days or 3,000 miles, whichever comes first.
- a motor vehicle has more than 24,000 miles, but less than 60,000 miles, the dealer must provide the customer with a warranty lasting 60 days or 2,000 miles, whichever comes first.
- a motor vehicle that has between 60,000 and 100,000 miles, the dealer must provide the customer with a warranty for 30 days or 1,000 miles, whichever comes first.

WHAT IS NOT COVERED BY THE LAW

- motor vehicles sold for less than \$3,000
- motor vehicles which are eight (8) or more years old
- motor vehicles that have been declared a total loss by an insurance company
- motor vehicles that have odometer readings of more than 100,000 miles
- motor vehicles that were not purchased from a dealer.

Note: In negotiating a better price for the vehicle, consumers may waive their right to a warranty. The vehicle must have more than 60,000 miles on its odometer and the waiver must be in writing.

WHAT PARTS ARE COVERED

The statute requires a dealer "to correct a material defect of the used vehicle." The statute also expressly covers:

- The Engine – All internal lubricated parts, timing chains, gears and cover, timing belt, pulleys and cover, oil pump and gears, water pump, valve covers, oil pan, manifolds, flywheel, harmonic balancer, engine mounts, seals and gaskets, and turbo-charger housing. (Housing, engine blocks and cylinder heads are covered only if they are damaged by the failure of an internal lubricated part.)
- Transmission Automatic/Transfer Case – All internal lubricated parts, torque converter, vacuum modulator, transmission mounts, seals and gaskets.
- Transmission Manual/Transfer Case – All internal lubricated parts, transmission mounts, seals and gaskets (excluding a manual clutch), pressure plate, throw-out bearings, clutch master or slave cylinders.
- Front-Wheel Drive – All internal lubricated parts, axle shafts, constant velocity joints, front hub bearings, seals and gaskets.
- Rear-Wheel Drive – All internal lubricated parts, propeller shafts, supports and U-joints, axle shafts and bearings, seals and gaskets.

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The statute also says: “It shall be an affirmative defense to any claim . . . that the alleged material defect does not substantially impair the use, value or safety of the used motor vehicle.”

WHAT THE DEALER MUST DO

The warranty requires the dealer to correct a defective or malfunctioning part of a used motor vehicle which is covered by the warranty if the defect occurred during the applicable warranty period.

The consumer is responsible for bringing the motor vehicle to the dealer and may be entitled to a refund of the used motor vehicle’s full purchase price if:

- the dealer has been unsuccessful at fixing the same material defect after at least three attempts.
- the vehicle has been out of service for twenty (20) cumulative days while the dealer is attempting to fix it.

The consumer must pay a \$50 deductible for each repair of each covered item.

If during the warranty period the used motor vehicle fails to operate properly through no fault of the consumer and the dealer has had a reasonable opportunity to repair the motor vehicle and he refuses to replace or refund the full purchase price of the motor vehicle, then the consumer may be eligible for assistance under the Used Car Lemon Law.

Note: “A reasonable attempt to repair a used motor vehicle” is defined as: At least three (3) attempts to repair the same material defect and the material defect continues to exist; or the used motor vehicle was out of service by reason of waiting for the dealer to begin or complete repair of the defected covered item for a cumulative total of twenty (20) days or more during the warranty period.

It is important for consumers to contact their dealers as soon as they discover a problem with the vehicle and allow the dealer at least three (3) attempts to fix the vehicle. Keep all documents pertaining to the motor vehicle’s defects and repairs handy.

BEFORE BUYING THAT USED MOTOR VEHICLE, CONSIDER:

- **Looking for leaks.** With the engine off, check the pavement under the motor vehicle. A wet, black stain means leaking oil. A reddish stain is transmission fluid or power steering fluid. If the stain is colorless to green, it could mean a leak in the cooling system.

- **Taking the car on a test drive.** Don’t consider buying the motor vehicle if the seller won’t let you drive it yourself. A demonstration ride, where you sit in the passenger seat while the seller drives, is not sufficient. Without driving the motor vehicle yourself, you won’t be able to tell if it’s comfortable or how well it handles.
- **Getting an independent evaluation.** Whenever possible, take the car to an independent mechanic for a thorough inspection before you buy it. Choose a mechanic yourself, preferably someone you’ve worked with in the past and know to be trustworthy and someone who has nothing to gain if you buy the motor vehicle. Most mechanics will charge a fee for this service.

For more information contact the Used Car Lemon Law Unit at 973-504-6226.

Correspondence may be sent to:

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